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December 18, 2006

To: Zev Yaroslavsky, Chairman
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From: David E. Janssen
Chief Administrative Officer

**INVITATION FOR THE ADVISORY COMMITTEE OF THE LOS ANGELES EARLY CARE
AND EDUCATION ECONOMIC IMPACT & CAREER PATHWAYS PROJECT**

The Los Angeles County Child Care Planning Committee and the Policy Roundtable for Child Care are requesting your Board's participation, in the form of a member of your staff, on the Advisory Board for an exciting new project - *The Los Angeles Early Care and Education Economic Impact & Career Pathways Project*. The Project is a combined effort of the Los Angeles County Child Care Planning Committee, Los Angeles City Workforce Investment Board, Los Angeles City Commission for Children, Youth and their Families, and Los Angeles Universal Preschool. Because of the leadership role your Board plays in Los Angeles County, representation for your offices on this Advisory Committee would be very beneficial.

National Economic Development and Law Center (NEDLC) will be the leading consultant for the Project, which includes *Early Care and Education Economic Impact Reports for the City and County of Los Angeles*, and a *Career Pathways Report for the County of Los Angeles*. The Economic Impact Report is based upon a unique model that quantifies early care and education's contribution to the economy, and demonstrates the nexus between early care and education and economic development. The Report will measure the economic impact of the early care and education industry on the current and future economy. It can also serve as a springboard for new policies and local investments in early care and education in the areas of land use, economic development, workforce development, facilities development and finance, business development and technical assistance, and the private sector.

The *Early Care and Education Career Pathways Report* is based on NEDLC's sector research methodology that looks at labor market data to identify growth industries and growth occupations that provide self sufficiency wages and career pathway options. This report can be used to develop appropriate workforce strategies to meet the needs of early care and education industry employers and incumbent and new workers to the industry.

Each Supervisor
December 18, 2006
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The goals of the Project are to:

- Demonstrate that early care and education is an industry in Los Angeles County.
- Change the perception of targeted audiences in valuing the importance of the early care and education industry.
- Identify career pathways for employment training investment in the development of the early care and education workforce.
- Provide recommendations for a range of stakeholders (early care and education business, economic development, workforce development, and other civic leaders) that will address policies that maximize the benefits of the industry by increasing public and private investment.
- Successfully rollout the findings and strategies developed through the research and analysis and to develop short and long-term activities that will strengthen the early care and education system in Los Angeles City and County.

The Advisory Board will hold six to eight meetings over the next ten months. Each meeting will last approximately two hours and can be accessed via conference call when a representative is unable to attend the meeting in person. Representatives of your offices on the Advisory Board will indicate the importance of this Project, and serve as an incentive to participation for the selected group of individuals, businesses, and community representatives who will be invited to be part of the Advisory Board.

The first meeting will be scheduled for the end of January 2007.

Attached are executive summaries of *The Economic Impact of the Early Care and Education Industry in the City and County of San Francisco*, and *Employing Ex Offenders in San Francisco: A Sector Research Methodology*, which are examples of the type of reports that will be developed for the Los Angeles City and County.

Thank you for your consideration of this request. We hope that you will join us in shaping the scope and direction of these reports, which have the potential to demonstrate the powerful impact of the early care and education industry in Los Angeles County.

If you have any questions or need additional information, please contact me at (213) 974-1101, or your staff may contact Kathleen Malaske-Samu, Director of the Office of Child Care at kmalaske@cao.lacounty.gov or (213) 974-2440.

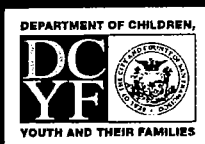
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Attachments (2)



The Economic Impact of the Child Care Industry in the City and County of San Francisco

**EXECUTIVE SUMMARY
JANUARY 2006**

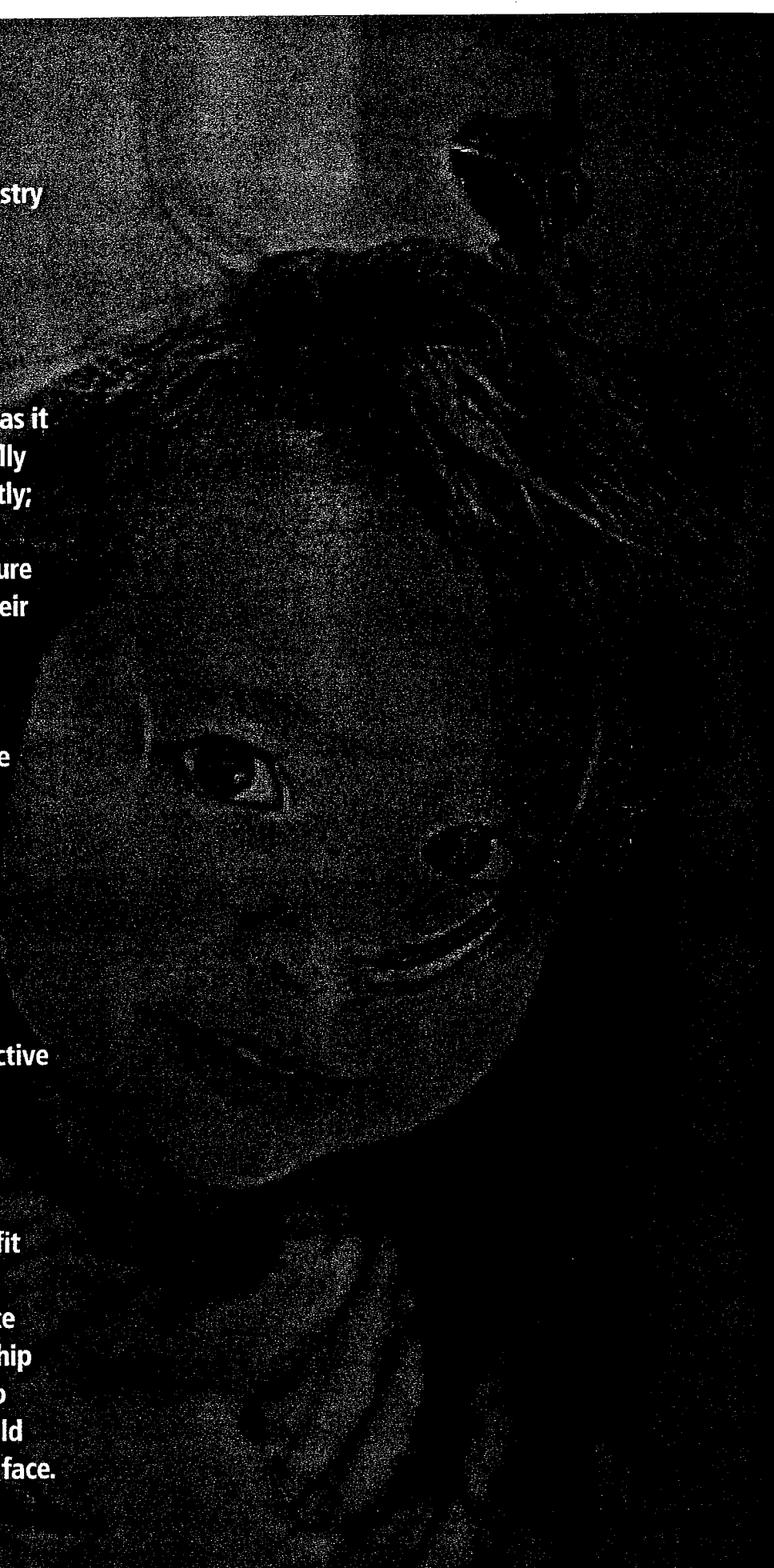


This study highlights the critical underpinning the child care industry is to San Francisco's economic stability and future growth.

Child care:

- ☐ **Is an economic driver in San Francisco's regional economy as it generates \$191 million annually and provides 4,415 jobs directly;**
- ☐ **Benefits the social infrastructure by supporting workers and their employers in all industries throughout San Francisco – enabling parents to work productively outside the home and/or participate in training and education programs; and**
- ☐ **Lays the groundwork for San Francisco's future economic success by preparing the next generation workforce to be healthy, educated, and productive in order to be competitive in the global marketplace.**

To meet the increasing demand for child care services and benefit the San Francisco economy, all stakeholders—public and private sectors—must work in partnership to create innovative solutions to address the barriers that the child care industry and its consumers face.





CHILD CARE IS A SIGNIFICANT ECONOMIC SECTOR IN ITS OWN RIGHT

- The San Francisco child care industry generates \$191 million annually in gross receipts—more than public relations agencies, graphic design services, and nursing care facilities (see Figure 1).
- The industry directly supports 4,415 full time-equivalent jobs—employing almost as many people as advertising, and more people than investment banking and apparel manufacturing. In terms of employment, the industry is 73 percent the size of building construction (see Figure 2).

"Every morning parents drop their children off at our child care centers, which are at or near their worksites in San Francisco. This reliable child care translates into benefits for San Francisco's economy: less absenteeism, less disruption of work schedules, less turnover, and happier, more productive workers. High-quality child care also provides a return on investment by promoting a family-friendly city where parents feel welcome and children are valued."

- MELINDA KANTER-LEVY
Director of External Affairs, Marin Day Schools /
Bright Horizons Family Solutions

THE CHILD CARE INDUSTRY IS OF ECONOMIC IMPORTANCE IN SAN FRANCISCO

Enables parents to participate in San Francisco's workforce and upgrade their skills

- More than one in ten workers in San Francisco has a child ages birth through 13 and lives in a household where all parents work. Together these working parents earn \$1.4 billion every year.

"The nature of the Bay Area requires a well-trained workforce that has capacity to update their skills and meet the needs of emerging industries. That can't happen, without an affordable and high-quality child care system."

- JIM WUNDERMAN
President & CEO, The Bay Area Council

Shortages of high-quality, affordable, and accessible child care reduces San Francisco's economic stability and productivity

- The average annual rate for full-time, licensed, center-based child care for an infant is over \$13,370 in San Francisco, which is significantly more expensive than the in-state undergraduate tuition at San Francisco State University (\$3,128 for two semesters).
- Approximately 3,900 children are currently on eligibility waitlists for subsidized child care in San Francisco, 87 percent of public preschool programs have waitlists, and 80 percent of subsidy-eligible families seeking infant/toddler care are unable to find it.
- Parents who are transitioning off of welfare into the workforce lose their child care assistance when they earn more than \$48,408 (single parent with one child). However, the self-sufficiency wage for a single parent with one child is \$50,239 -creating an annual gap of over \$1,800.

"Increased investment in child care supports for low-income families has had a critical economic impact in San Francisco... many of the families who were on welfare have entered the workforce directly due to child care supports."

- TRENT RHORER
Director, San Francisco Human Services Agency

FIGURE 1
Gross Receipts by Industry,
San Francisco 2005

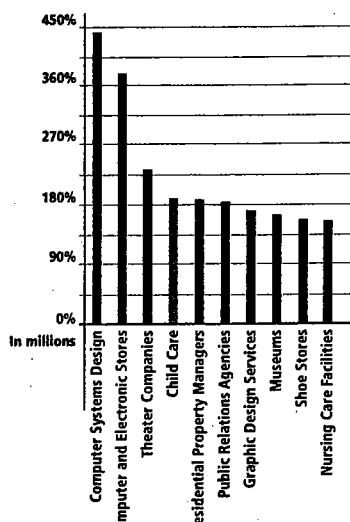
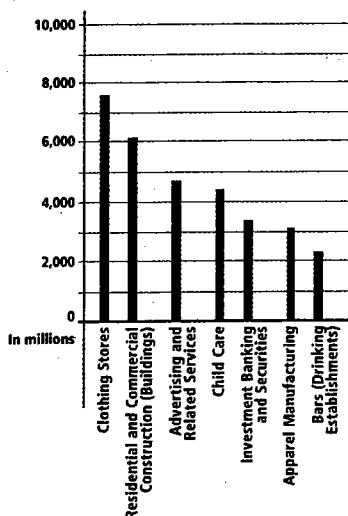


FIGURE 2
Direct Employment by Industry,
San Francisco 2003

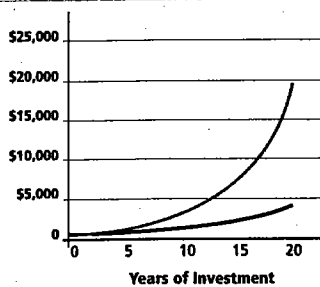


"Early learning begets later learning and early success breeds..."

Has a multiplier effect that supports employee productivity across San Francisco's industries

- Unscheduled absenteeism in 2004 cost businesses nationally an average of \$610 per employee. Unscheduled absences due to family issues, which includes child care breakdowns, accounted for 23 percent of all absences. On-site child care and emergency back-up child care are two of the top three most effective work-life programs that reduce unscheduled absenteeism.
- Smaller and medium businesses can also benefit from providing cost-effective child care benefits, such as flexible time scheduling. As Kevin Westlye, executive director of the Golden Gate Restaurant Association notes, "Employees in the restaurant industry work non-traditional hours and therefore need child care available to match their work schedules. In many restaurants that means they need child care on evenings and weekends. Increasing the availability of child care would allow more parents to return to their restaurant employment, especially single parents."

FIGURE 3
Return on a \$1,000 Investment
High/Scope Perry Preschool Program vs. U.S. Stocks



■ Rate of return on investment in the High Scope/Perry Preschool program (16%, over \$19,000)
■ Long-term rate of return on investment in U.S. stocks (7% less than \$4,000)
Source: Rolnick and Grunewald, 2003. Both rates are adjusted for inflation.

THE CHILD CARE INDUSTRY ENABLES FUTURE ECONOMIC SUCCESS IN SAN FRANCISCO

Helps prepare young children for opportunities in the new economy

- Children in high-quality preschool settings show greater language development, mathematical ability, reasoning and attention skills, and fewer behavior problems in kindergarten than children in lower quality care settings.
- Longitudinal studies of child-focused, high-quality education programs for low-income children show significant long-term positive benefits for children, including higher I.Q., greater school achievement and grade retention, and a decreased need for special education.

"Childhood literacy is the foundation of academic and life success. Though San Francisco's test scores compare favorably with other large California districts, we still have work to do: only 36 percent of our third graders meet or exceed grade level standards for English Language Arts. To improve this figure, I will invest in child care programs that prepare young children to learn."

— GAVIN NEWSOM
San Francisco Mayor

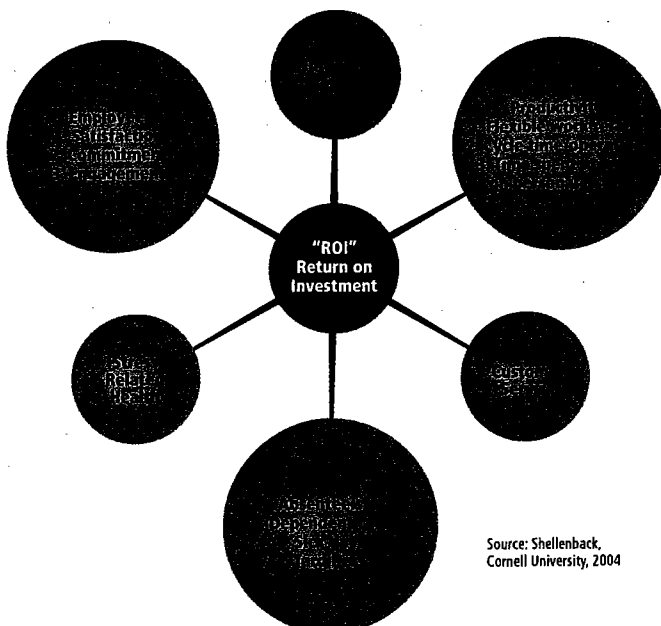
Provides a positive rate of return on investments

- Longitudinal studies show that high-quality programs, particularly for low-income children, provide significant economic gains through increased earnings and decreased public expenditures on special education, juvenile delinquency, adult incarceration, health care, and social services. This increases the quality of life for all citizens and reduces government spending.
- The Federal Reserve Bank in Minneapolis analyzed rates of return from investing in a model early childhood program for low-income children. They found a 16 percent rate of return on investment—considerably higher than the long-term return from U.S. stocks of 7 percent (see Figure 3).
- According to RAND, a nonprofit research organization, universally accessible preschool in California, if implemented throughout the state, would generate an estimated \$2.62 for every dollar invested.

"Initially the Wells Fargo Back-up Child Care Program was implemented as an attraction and retention tool; however, conservative analysis concludes the program not only pays for itself, but provides a return on investment."

— SUSAN PON-GEE
Work/Life Programs Manager, Wells Fargo

Potential Outcome Variables



Source: Shellenback,
Cornell University, 2004

Recommendations

The short term economic benefits to working families and their employers are apparent. The long term benefits to human development and the future workforce are also obvious. Ultimately, San Francisco's future economic productivity depends upon investment in quality child care as a critical industry that must be seen as a significant contributor to the city's economic development.

The child care industry is a good economic development investment, both for its direct effects on employment and its relatively high linkage effects on the regional economy. Now is the time for government, business, labor, the child care industry, and the general public to work in partnership to ensure that:

- Local businesses are effectively engaged and educated about the return on investment from high-quality, affordable child care; advocate for a high-quality child care system and early learning infrastructure; and provide family-supportive benefits that address the child care needs of employees.
- High-quality child care programs and services are affordable and accessible to all families who want and need them.
- There is a strong supply of qualified, diverse, and well-compensated child care/early education professionals.

BUSINESS STRATEGIES:

- Become a San Francisco Child Care Champion and play an active role by:
 - » Advocating and influencing public policy at the local, state, and national level to ensure a comprehensive and integrated child care and early learning system that provides high-quality care and education for children ages birth through 13—showing a commitment to a strong educational system at all levels.
 - » Leading by example and offering cost effective family-supportive policies and practices for employees (e.g., back-up child care, resource and referral services, on- or near-site child care, reimbursements for child care expenses, flexible schedules, etc.).
 - » Encouraging and supporting other businesses, large and small, to institute workplace policies and practices that are family-supportive.
 - » Using peer networking strategies that endorse and raise awareness about why quality child care and early learning matters to businesses' bottom line—both now and in the future.
 - » Participating on the boards of local child care programs, committees, and taskforces.
- Underwrite the cost of developing a communication strategy (with funds or in-kind donations of time and expertise) for the child care industry to better engage and educate the business community about the economic benefits of child care.

PUBLIC SECTOR STRATEGIES:

- Include strong language in the General Plan that prioritizes the development of child care facilities in San Francisco.
- Include on-site child care as part of new public developments, such as the Transbay Terminal Project.
- Target child care subsidies for families whose income is at or below the self-sufficiency standard (\$50,239 for a single adult with a preschooler).
- Expand the Developer Child Care Impact Fee to include residential and other types of commercial development. This expansion should be in accordance with the findings in the forthcoming San Francisco Child Care Nexus Study.
- Support policies that build the capacity of the local higher education system to ensure the child care workforce's education and training needs are met.
- Continue to support child care provider wage enhancement and augmentation programs such as WAGES Plus and SFCARES.
- Work with the Office of Economic and Workforce Development to develop a comprehensive strategy for business attraction and retention that includes child care information into a package of incentives for businesses.
- Create economic incentives for businesses who offer child care benefits, invest in the local child care infrastructure, and/or offer free or below market value rent to child care programs.

CHILD CARE INDUSTRY STRATEGIES:

- Develop a clear communications and outreach strategy that educates and engages business leaders and stakeholders about the return on investment (ROI) from high-quality, affordable child care.
- Create a clearinghouse of information about how to develop employer-sponsored child care and other family-supportive practices and benefits.
- Work with the Child Care Facilities Fund of the Low Income Investment Fund to provide technical assistance to businesses who want to build on-site child care programs.
- Develop an "Economics of Child Care" one-page brief that details the true costs of operating and administering a child care business in San Francisco.
- Link with local business leaders to develop a taskforce of San Francisco Child Care Champions, who can advocate at the local, state, and national level to support public policy platforms and changes that will strengthen the child care and early education system.
- Publicly recognize businesses who are child care champions.
- Create a career path for licensed child care providers to increase recruitment and retention of qualified professionals to the industry.
- Partner with the Small Business Commission to work with the Small Business Administration and Neighborhood Economic Development Organizations to coordinate and lower the costs of providing training to child care providers on business skills.

For additional recommended strategies, see the full report available at www.dcyf.org/cpac.

THE ECONOMIC IMPACT OF THE CHILD CARE INDUSTRY IN THE CITY AND COUNTY OF SAN FRANCISCO

The Honorable Mayor Gavin Newsom appointed the San Francisco Advisory Board consisting of leaders in the fields of business, government, child care and economic development. It was the hard work of this board that provided the vision, direction, and expertise needed for the development of this report.

SAN FRANCISCO ADVISORY BOARD MEMBERS:

- **Agnes Briones-Ubalde**, San Francisco Small Business Commission
- **Loren Brown**, Providian Financial
- **Dennis Conaghan**, San Francisco Center for Economic Development
- **Alicia Daniel**, Family Child Care Provider Association of San Francisco
- **Richard Ejima**, Department on the Status of Women
- **Lisa Jaicks**, Local 2 / Hospitality Industry Child and Elder Care Plan
- **Linnea Klee**, Children's Council of San Francisco
- **Mardi Lucich**, San Francisco Department of Children, Youth, and Their Families
- **Emily Murase**, Department on the Status of Women
- **Renu Nanda**, Child Care Facilities Fund of the Low-income Investment Fund
- **Susan Pon-Gee**, Wells Fargo
- **Stephen Santos Rico**, City College of San Francisco
- **Marcia Rosen**, San Francisco Redevelopment Agency
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- **Janet Smith-Heimer**, Bay Area Economics
- **Carol Stevenson**, San Francisco State University
- **John Stewart**, The John Stewart Company
- **Lisbet Sunshine**, San Francisco Chamber of Commerce
- **Bill Tompkins**, GAP Inc.
- **Kevin Westlye**, Golden Gate Restaurant Association
- **Candace Wong**, San Francisco Child Care Planning and Advisory Council

ACKNOWLEDGEMENTS

The Honorable Mayor Gavin Newsom would like to acknowledge the National Economic Development and Law Center (NEDLC) who was commissioned to lead the San Francisco Advisory Board in the development of this report; in particular, the Early Care and Education program staff of NEDLC, Brentt Brown, Program Specialist; Saskia Traill, Senior Program Specialist; and Jen Wohl, Senior Program Manager, as principal authors, and Roger A. Clay, Jr., NEDLC President, as a contributor.

The National Economic Development and Law Center (NEDLC) is a national research and consulting organization dedicated to building economic health and opportunity in vulnerable communities. NEDLC partners with a diverse range of colleagues to develop innovative strategies and programs that result in systemic change and help people become—and remain—economically secure. NEDLC is working with states and counties across the nation to produce reports and recommendations on the economic impact of the child care industry. The economic impact reports articulate child care in economic development terms and quantify the ways in which the child care industry is critical to the economy. In addition, the reports help to build local partnerships with policy makers, community and business stakeholders aimed at increasing the industry's capacity to respond to the shifting child care needs of families.

The Honorable Mayor Gavin Newsom would also like to recognize and appreciate the Department of Children, Youth, and Their Families (DCYF) for providing leadership in the development and design of this report, especially Mardi Lucich, the Citywide Child Care Administrator, as staff lead responsible for coordinating the collaborative work of the San Francisco Advisory Board and NEDLC in the creation of this report.

The San Francisco Department of Children, Youth, and Their Families (DCYF) is one of the few city departments in the country dedicated exclusively to young people; DCYF enhances the lives and futures of San Francisco's children and youth through innovative partnerships with parents and youth, community organizations, city departments, schools, funders and the private sector. The goal of DCYF is to help San Francisco realize the vision of the "Quality of Life Benchmarks" adopted by the City's Board of Supervisors and the Mayor:

- Our city's children and youth are healthy;
- Our city's children and youth are ready to learn and are succeeding in school;
- Our city's children and youth live in safe, supported families and safe, successful, supported communities; and
- Our city's children and youth contribute to the growth, development and vitality of San Francisco.

Lastly, the Honorable Mayor Gavin Newsom would also like to thank the San Francisco Foundation for their generosity in hosting the monthly Advisory Board meetings, the San Francisco Child Care Planning and Advisory Council for its financial support of the project, and our small local business contributors Paragon Strategies and Creative i Studio for their pro-bono technical assistance with the artistic inspiration, design and production of this report.

For more information, contact Citywide Child Care Administrator at
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EMPLOYING OFFENDERS IN SAN FRANCISCO:

A SECTOR RESEARCH METHODOLOGY

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May 2003

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EXECUTIVE SUMMARY

Introduction

In partnership with the San Francisco District Attorney, Terence Hallinan, and his staff, the National Economic Development and Law Center undertook this research project in the spring of 2002 in order to help guide the development of industry-specific workforce development programs that can provide good wages and/or career advancement opportunities for criminal offenders. While this research examines the experiences of ex-felons, the research, related issues, and proposed strategies discussed herein are relevant to work with other criminal offenders.

This report is a collaborative effort funded by the Annie E. Casey Foundation and spearheaded by the San Francisco District Attorney's Office (SFDA) and the National Economic Development and Law Center (NEDLC). The SFDA's Office will use this research to inform its Street to Work initiative. This new initiative is an employment-based alternative to incarceration for first-time, low-level drug dealers aged 18-30, in which successful program participants will have the felony conviction waived from their records. NEDLC guided this research based on its extensive background in workforce development and "Sector" (or industry-specific) employment strategies.

What Are Sector Employment Initiatives?

NEDLC used a Sector research methodology to collect and analyze the data presented in this report. Sector initiatives are industry-specific economic and workforce development efforts that seek to achieve win-win outcomes by building the competitiveness of a target industry while simultaneously benefiting low-income workers and job seekers. The research process, which is a major component in the development of sector initiatives, involves reviewing demographic and labor market information, as well as conducting focus groups. The data gathered are then used to choose a target industry that meets specific criteria including accessibility to the target population, demand for workers, high wages, and potential career ladders. These data also help an initiative understand and make connections in the target population and industry, which provide the basis for essential partnerships with the community, employers, and training providers. These partnerships make Sector initiatives work. The methodology described here should prove useful for Sector-based strategies and other types of employment initiatives with offenders nationwide.

Target Population

This research report aims to highlight the unique barriers to employment that criminal offenders face as well as opportunities for addressing these barriers. In examining demographic data from a sample of 171 ex-felons¹, the following profile of the target population begins to emerge:

- There is a lack of accurate data about ex-felons.
- According to the Self-Sufficiency Standard for San Francisco County², 64% of ex-felons do not earn enough to afford living alone, and only 8% earn enough to support a school-age child. On average, ex-felons' wages are well below those of other San Francisco County residents.
- The ex-felon population is about 48% African-American, with the next-largest groups being Latinos (22%) and non-Latin whites (16%).
- 25% of the ex-felons in our sample did not have a high school diploma or GED and 83% had never attended college. In contrast, only 32% of San Francisco County residents have never attended college.

Industry Information

One of the main objectives of sector research is to identify a target industry for implementing a sector employment initiative. To define industries, this research uses the Standard Industry Classification (SIC) system, which groups "Electrical Works" and "Concrete Work" under a larger industry, in this case "Special Trade Construction", which in turn is grouped under a sector, "Construction".

The ability of felons to access jobs in an industry was deemed most important in terms of the criteria for a target industry because of the legal barriers offenders face in many industries. For this reason, data on the employment histories of ex-felons were used to determine which industries were most accessible. Social Services, Eating and Drinking Places, and Special Trade Construction were the most accessible industries (based on the highest concentration of ex-felon employees). Due to the poor wages and limited career ladders in Eating and Drinking Places, Social Services and Special Trade Construction were identified as the most promising industries. Further research on the characteristics of the two potential target industries, Social Services and Special Trade Construction, resulted in the following information.

1. **High demand:** Both industries have a variety of high-demand occupations. In Special Trade Construction, Painters and Paperhangers and Electricians have the most projected openings. In Social Services, Human Service Workers and Preschool Teachers have the highest numbers of projected openings.
2. **Self-sufficiency wages:** In San Francisco County, the self-sufficiency wages most relevant to offenders were the cost of living for an adult living alone (\$10.78 per hour) and for an adult supporting one school-age child (\$17.07 per hour). Special Trade Construction generally offers much higher wages than the Social Services industry. Both have self-sufficiency level wages in some high-demand occupations, particularly for adults without children.

¹ These ex-felons were participants in programs of the San Francisco Sheriff's Office and the Northern California Service League.

² The Self-Sufficiency Standard is based on a calculation of the wage that a particular size and type of family in a specific geographic region must earn to cover basics such as food, shelter, clothing, healthcare, childcare and transportation. Source: Wider Opportunities for Women, California Self-Sufficiency Standard, San Francisco County, November 2000.

3. **Educational requirements:** Many high-demand occupations in each industry require on-the-job training, rather than a college degree. Special Trade Construction is particularly open to people without degrees.
4. **Mobility:** Special Trade Construction has excellent career ladders. In Social Services, an employee in a job requiring short-term training may have a more difficult time moving up without going back to school for a Bachelor's degree.

Focus Group Findings

During the next step of the research, more detailed qualitative information about the target population and about each industry was gathered through a series of focus groups with 20 San Francisco ex-felons working in the potential target industries and representatives of 12 employers from the industries. Findings from the qualitative examination of the two industries are briefly summarized on the following pages.

Ex-Offenders

Focus groups with members of the target population who had employment experience in Social Services or Special Trade Construction revealed the following.

- In Social Services, ex-felons generally like their jobs, but find the pay too low and the work stressful. They earn approximately half what Construction workers earn. Most would prefer to find jobs in other industries, but they were concerned that their records would preclude them from these opportunities.
- Most of the ex-felons in Special Trade Construction plan to stay in the industry. They like their jobs and their wages, with the main downsides being the industry's seasonal changes in demand for workers and the difficulty in getting enough union job assignments.
- Ex-felons find that their criminal records do not generally cause problems in either industry. However, in Social Services ex-felons must remain "clean" for a while before they can access many jobs.
- Primary challenges to finding and maintaining employment include meeting parole/probation requirements, finding safe transportation, dealing with substance abuse issues, and lack of support services. Childcare and discrimination do not present challenges to most ex-felons in these industries.
- Both industries provide good benefits and access to training. Participants see potential for advancement, particularly with the help of mentors in the industry.
- Participants in the Construction group had access to subsidized training through unions and were interested in participating in order to advance. Social Services participants would be interested in affordable training with a hands-on focus, if it would lead to a better job.
- Participants in the Social Services industry looked for up to six months after life skills training/rehabilitation to find jobs. In the Trades, the search was more likely to last one to four months after leaving prison.

- In both industries, personal networks were the preferred way to find employment, followed by unions and community-based organizations in the Construction industry and classifieds/job listings in the Social Services industry.

Social Services Employers

A focus group with Social Services employers revealed the following.

- Social Services employers generally do not discriminate against ex-felons, particularly if the applicant has been out of prison for a while. Occupations that had legal or contractual restrictions about hiring ex-felons were the exception.
- Work experience and dedication to the organization's client population are generally more important than training and educational requirements. Employers also look for the ability to show up on time.
- Entry-level jobs pay \$8-\$15 per hour and provide benefits after one to six months. Most organizations do not have internal advancement systems, but they do work with employees to access training.
- Social Services employers recruit primarily through online and newspaper postings, as well as through referrals from job training programs (including their own programs).
- Many ex-felons feel pressure to find a job soon after release, making quick placement important for the success of an employment program.

Special Trade Construction Employers

A focus group with Special Trade Construction employers revealed the following.

- Occupations in all the trades are open to ex-felons, and these employers do not ask about criminal history.
- Once a worker has met the basic requirements of the union (which includes a GED), he or she automatically has access to good wages, benefits, and advancement training.
- The hiring process may be slow, and the time between entering the union and finding regular work can also be significant. Construction work is seasonal, with November to March being slow.
- The employers interviewed recruit from the unions and non-profit or public job training and referral programs.
- Entry-level jobs pay \$14-\$17 per hour. After finishing apprenticeship programs, construction workers can earn \$35-\$42 per hour.
- Poor attitude and substance abuse are the primary reasons employers reject job applicants. All employers interviewed conduct drug screening as part of the hiring process.

Recommendations

The recommendations and possible sector strategies identified here were developed on the basis of the research findings outlined above. A more detailed implementation strategy remains to be developed by a group of local stakeholders including employers from the target industry.

In the Special Trade Construction industry, offenders are most in need of assistance to ensure yearlong employment, while employers need thoroughly trained employees, particularly in some of the higher-skilled trades. In the Social Services industry, offenders need help moving up career ladders and finding jobs with higher wages. Employers in the Social Services industry need employees who are experienced and dedicated to their work. The following recommendations and strategies build on these fundamental needs.

1. **Make soft skills and other training more attractive.** In both industries, it is important to have soft skills such as the ability to show up consistently, a good attitude about work, and communications skills. Ex-felons wanted training to be very practical (preferably hands-on) and in a single location. Due to the need to find placements quickly (see the following recommendation), initial training should be short-term, with a focus on job search skills. Training (particularly GED and basic skills for those who don't have these) should be a required part of an employment program in order to encourage participation. Preferably, an employment program should either pay participants a stipend or be free-of-charge and offer transportation assistance, food, and other incentives.
2. **Place participants quickly.** Some ex-felons may be under pressure from transitional services to find a job quickly after release. Others may simply lose patience with the job search, and go back to the easy money available through a criminal lifestyle. An employment program might partner with a temporary employment agency, operate an in-house job placement agency, or set up a sheltered work environment (although moving employees from such programs into mainstream work is challenging and would need special attention). Internships could be another way for offenders to learn while being employed, and would fit with offenders' wish for training to be hands-on.
3. **Match felons with mentors.** Ex-felons in both industries said that mentors, both in and outside their industries, were vital to helping them understand their work and maintain legitimate work during "rough periods". In Social Services, ex-felons said that mentors in the industry would help them identify career paths and training opportunities as well as potential jobs.
4. **Advocate for ex-felons with drug courts and probation/parole officers.** Although employers in the focus groups didn't mention any problems, ex-felons in both focus groups cited difficulties scheduling appointments around training and work. An employment program could focus on working with drug courts and probation/parole officers to address these issues. If that failed, the program could work with employers to help them understand the difficulties. It may be that employers are more open to working around required appointments than ex-felons believe them to be.
5. **Address substance abuse issues.** Employers and ex-felons in both industries mentioned substance abuse as a major barrier to finding and retaining employment. Participants should be screened carefully for substance abuse, and those with substance abuse problems should be required to undergo intensive and ongoing treatment and supervision if they are to move successfully into long-term, stable employment.

6. ***Provide flexible transportation supports.*** Ex-felons in both groups identified transportation as a barrier to training and employment. In the Construction group, public transportation was not an option due to off-hours schedules and distant workplaces. In Social Services, some participants found the public transportation system dangerous during the hours they traveled. A flexible assistance program offering a range of resources – gas cards, assistance obtaining a driver's license, a centralized database of local residents interested in carpooling or in trading car repair for other services, etc. – could be developed. Other possible strategies to explore include accessing car ownership programs where available, expansion of the car/commute share programs and creation of vanpools from the residential areas to central (and safer) locations on the public transit line.

In addition to the general recommendations listed above, there are two additional recommendations that relate specifically to the Social Services industry.

1. ***Work to raise wages by helping incumbent workers advance into higher-paying jobs and researching and educating organizations about incentive programs they are eligible for.*** Ex-felons working in the Social Services industry have difficulty surviving on their salaries. In order to retain offenders in the industry, it will be necessary to help them access upgrade training (possibly including getting a Bachelor's degree) and the kinds of experience they need for higher-paying work. Additionally, the program could help raise wages by educating non-profit employers about incentive programs for hiring ex-offenders they may be able to benefit from.
2. ***Improve the connection between offenders and job announcements/openings.*** Ex-felons in the Social Services group reported spending up to six months looking for work. Employers in this industry use online postings and classifieds and some referrals through job training and placement agencies, while ex-felons say they are most able to find jobs through personal networks. An employment program will need to teach ex-offenders to respond more effectively to job announcements posted online and in newspapers. The program should also advertise itself to employers as a source of workers, and it may be able to work with offenders to improve resume-writing skills.

Next Steps

While these recommendations suggest a range of strategies that could be implemented independently by employers and public and private programs working to employ criminal offenders, a true Sector initiative requires strong partnerships between the stakeholders and commitment to the targeted population and industry. Five critical next steps must be taken in order to create a Sector initiative based on this research:

1. Select a target industry.
2. Identify a lead agency to spearhead the initiative.
3. Convene an Implementation Committee responsible for working with the lead agency to plan, design, develop resources for, implement, monitor and assess the initiative.
4. Prioritize which strategies to focus on during the first year of implementation.

5. Develop an outline of the program design and a projected budget.
6. Secure resources to support the implementation phase.